

**WORKFORCE SAFETY & INSURANCE**  
**INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2004**

	May-04				April-04				March-04				December-03				September-03				Current FYTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																								
Structured Growth																								
Los Angeles Capital AllianceBernstein	17,301,397 2	1.6% 0.0%	1.6% 0.0%	1.48% N/A	17,057,428 2	1.6% 0.0%	1.6% 0.0%	-0.54% N/A	20,257,067 1	1.9% 0.0%	1.8% 0.0%	-0.34% N/A	20,392,103 -	1.9% 0.0%	1.8% 0.0%	9.12% N/A	18,769,212 -	1.9% 0.0%	1.8% 0.0%	N/A	N/A	N/A	N/A	N/A
Total Structured Growth	17,301,399	1.6%	1.6%	1.48%	17,057,430	1.6%	1.6%	-0.54%	20,257,068	1.9%	1.8%	-0.34%	20,392,103	1.9%	1.8%	9.12%	18,769,212	1.9%	1.8%	4.99%	15.23%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				1.86%				-1.16%				0.79%				10.41%				3.92%	16.43%	2.94%	-21.54%	-5.03%
Structured Value																								
LSV	17,156,321	1.6%	1.6%	0.55%	17,055,389	1.6%	1.6%	-2.38%	20,041,241	1.8%	1.8%	6.22%	20,597,607	2.0%	1.8%	15.66%	17,915,385	1.8%	1.8%	3.75%	25.12%	-2.25%	8.84%	3.73%
Russell 1000 Value				1.02%				-2.44%				3.03%				14.19%				2.06%	18.34%	-1.02%	-0.19%	1.05%
Russell 1000 Enhanced Index																								
LA Capital	35,812,345	3.4%	3.2%	1.49%	35,274,432	3.3%	3.2%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.44%				-1.81%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
S&P 500 Enhanced Index																								
Westridge	34,915,096	3.3%	3.2%	1.38%	34,396,437	3.2%	3.2%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.37%				-1.57%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
Index																								
State Street	8,029,615			1.37%	7,921,221			-1.57%	8,067,072			1.68%	92,295,922			12.16%	82,667,030	8.3%	8.4%	2.64%	16.78%	0.23%	-11.28%	-1.69%
Transition Account	4			N/A	35,751			N/A	81,520,119			N/A	N/A			N/A	N/A	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Index	8,029,619	0.8%	1.2%	1.37%	7,956,972	0.7%	1.2%	-1.57%	89,587,191	8.2%	8.4%	1.68%	92,295,922	8.8%	8.4%	12.16%	82,667,030	8.3%	8.4%	2.64%	16.78%	0.23%	-11.28%	-1.69%
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	113,214,781	10.6%	10.7%	1.30%	111,740,660	10.5%	10.7%	-2.22%	129,885,501	11.9%	12.0%	2.91%	133,285,633	12.7%	12.0%	12.20%	119,351,627	12.0%	12.0%	3.15%	17.97%	-0.48%	-9.33%	-1.90%
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	56,465,452	5.3%	5.3%	1.07%	55,908,764	5.2%	5.3%	-5.02%	68,957,142	6.3%	6.0%	6.61%	66,671,971	6.4%	6.0%	14.82%	61,777,661	6.2%	6.0%	9.48%	28.66%	0.09%	N/A	N/A
Russell 2000 + 200bp				1.76%				-4.93%				6.78%				15.07%				9.60%	30.28%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	56,465,452	5.3%	5.3%	1.07%	55,908,764	5.2%	5.3%	-5.02%	68,957,142	6.3%	6.0%	6.61%	66,671,971	6.4%	6.0%	14.82%	61,777,661	6.2%	6.0%	9.48%	28.66%	0.09%	-3.49%	1.64%
Russell 2000				1.59%				-5.10%				6.26%				14.52%				9.07%	27.97%	-1.63%	-3.30%	0.97%
CONVERTIBLES																								
TCW	63,652,333	6.0%	6.0%	1.51%	62,900,108	5.9%	6.0%	-2.90%	128,547,261	11.8%	12.0%	2.50%	128,286,011	12.3%	12.0%	9.98%	117,030,576	11.7%	12.0%	1.85%	13.17%	10.23%	-9.51%	3.90%
First Boston Convertible Index				0.64%				-1.93%				2.57%				8.54%				2.67%	12.81%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																								
Large Cap - Active																								
Capital Guardian	52,268,406	4.9%	4.0%	-1.07%	63,085,534	5.9%	4.0%	-0.62%	74,277,245	6.8%	6.4%	3.50%	71,723,739	6.9%	6.4%	13.03%	65,573,539	6.6%	6.4%	8.14%	24.39%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	-5.33%
Small Cap - Value																								
Lazard	5,755,849	0.5%	0.5%	0.54%	5,772,260	0.5%	0.5%	-0.10%	9,977,205	0.9%	0.8%	8.63%	9,185,768	0.9%	0.8%	14.50%	8,900,251	0.9%	0.8%	9.92%	37.32%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
Small Cap - Growth																								
Vanguard	5,513,617	0.5%	0.5%	-1.15%	5,623,869	0.5%	0.5%	-1.98%	9,367,411	0.9%	0.8%	10.37%	9,856,522	0.9%	0.8%	14.06%	8,634,968	0.9%	0.8%	14.95%	40.22%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY																								
MSCI EAFE - 50% Hedged	63,537,871	5.9%	5.0%	-0.95%	74,481,662	7.0%	5.0%	-0.70%	93,621,861	8.6%	8.0%	4.76%	90,766,028	8.7%	8.0%	13.28%	83,108,758	8.3%	8.0%	8.97%	27.19%	-9.20%	-15.51%	0.27%
				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	172,680,335	16.2%	14.7%	-0.41%	310,482,217	29.1%	14.7%	-2.41%	317,330,208	29.1%	29.5%	2.96%	301,215,227	28.8%	29.5%	1.62%	293,880,379	29.4%	29.5%	-0.16%	1.53%	12.77%	11.23%	8.12%
Lehman Aggregate				-0.40%				-2.60%				2.66%				0.32%				-0.14%	-0.24%	10.39%	10.07%	7.54%
Index																								
Bank of ND	225,369,458	21.1%	20.9%	-0.45%	223,501,639	20.9%	20.9%	-2.36%	174,612,451	16.0%	16.6%	3.01%	161,411,958	15.4%	16.6%	0.07%	160,764,147	16.1%	16.4%	-0.46%	-0.28%	13.26%	10.87%	7.78%
Bank of ND CD'S	11,404,098	1.1%	1.1%	0.20%	11,848,952	1.1%	1.1%	0.21%	11,815,243	1.1%	1.1%	0.73%	11,712,991	1.1%	1.1%	0.88%	12,617,743	1.3%	1.3%	0.88%	2.92%	3.54%	4.85%	5.09%
Total Index	236,773,557	22.2%	22.0%	-0.42%	235,350,592	22.1%	22.0%	-2.20%	186,427,694	17.1%	17.7%	2.86%	173,124,949	16.5%	17.7%	0.12%	173,381,889	17.4%	17.7%	-0.37%	-0.08%	12.66%	10.35%	7.51%
Lehman Intermediate Gov/Credit (1)				-0.45%				-2.37%				3.08%				-0.03%				-0.50%	-0.35%	13.14%	10.82%	7.83%
BBB Average Quality																								
Strong	96,334,114	9.0%	7.3%	-0.88%	124,943,378	11.7%	7.3%	-3.16%	128,677,396	11.8%	11.8%	3.30%	124,683,310	11.9%	11.8%	1.46%	123,196,541	12.3%	11.8%	0.02%	0.62%	17.91%	N/A	N/A
Lehman US Credit BAA				-0.81%				-3.22%				3.41%				1.22%				0.27%	0.76%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	505,788,005	47.3%	44.0%	-0.50%	670,776,187	62.9%	44.0%	-2.50%	632,435,298	57.9%	59.0%	3.00%	599,023,486	57.2%	59.0%	1.15%	590,458,808	59.1%	59.0%	-0.18%	0.88%	13.76%	11.00%	7.93%
Lehman Gov/Credit				-0.51%				-3.07%				3.08%				-0.03%				-0.50%	-1.12%	13.14%	10.82%	7.83%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)																								
Northern Trust Global Investments	111,600,382	10.4%	11.0%	1.67%	-	0.0%	11.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Western	120,981,356	11.3%	11.0%	0.73%	-	0.0%	11.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TOTAL TIPS	232,581,738	21.8%	22.0%	1.18%	-	0.0%	22.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
LB US TIPS Index				1.80%				-4.85%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
REAL ESTATE																								
Manager To Be Determined																								
NCREIF Total Index	-	0.0%	6.0%	N/A	-	0.0%	6.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
				0.85%				0.85%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
CASH EQUIVALENTS																								
Bank of ND	33,129,474	3.1%	1.0%	0.11%	91,386,656	8.6%	1.0%	0.09%	38,500,490	3.5%	3.0%	0.29%	28,729,009	2.7%	3.0%	0.29%	26,992,705	2.7%	3.0%	0.30%	1.09%	1.57%	3.26%	4.15%
90 Day T-Bill				0.09%				0.08%				0.24%				0.26%				0.25%	0.92%	1.52%	3.33%	4.08%
TOTAL WSI	1,068,369,654	100.0%	100.0%	0.27%	1,067,194,036	100.0%	100.0%	-2.43%	1,091,947,553	100.0%	100.0%	3.12%	1,046,762,137	100.0%	100.0%	5.31%	998,720,135	100.0%	100.0%	1.77%	8.13%	8.96%	2.79%	5.54%
POLICY TARGET BENCHMARK				0.46%				-2.95%				3.04%				4.32%				1.46%	6.34%	8.88%	3.42%	5.41%